

Honolulu, Hawaii

APR 25 2019

RE: S.B. No. 552  
S.D. 1  
H.D. 2  
C.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 552, S.D. 1, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Extend the safe harbor provisions found in section 45 of Act 181, Session Laws of Hawaii 2017 (Act 181), until July 1, 2020, to provide sufficient time for condominium property regimes to update their developer's public reports; and
- (2) Clarify that the sale of time share plans is permitted regardless of compliance with Act 181.



Your Committee on Conference finds that Act 181 repealed chapter 514A, Hawaii Revised Statutes, relating to condominium property regimes. Act 181 authorized developers to continue sales using their timely reports filed under the now-repealed sections of chapter 514A, Hawaii Revised Statutes, without having to register under chapter 514B, Hawaii Revised Statutes, so long as the chapter 514A public reports were active, accurate, and not misleading. However, some, usually smaller, condominium projects were unable to meet Act 181's December 31, 2018, deadline for an automatic transfer of active and accurate projects to chapter 514B, Hawaii Revised Statutes, due to natural disasters and lack of time, resources, and necessary professionals. This measure revives pertinent sections of the repealed statutes for one year to provide these developers an opportunity to update their public reports without revising any of their governing documents, if certain criteria are met.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that a condominium property regime registered under chapter 514A, Hawaii Revised Statutes, shall not be required to revise its governing documents to comply with chapter 514B, Hawaii Revised Statutes, for sales of time share interests to be made in the condominium property regime;
- (2) Deleting the definition of "514A report";
- (3) Changing the effective date to July 1, 2019; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 552, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 552, S.D. 1, H.D. 2, C.D. 1.



Respectfully submitted on behalf  
of the managers:

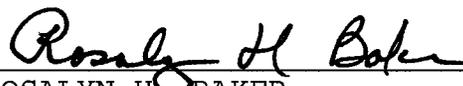
ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE



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ROY M. TAKUMI  
Co-Chair



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ROSALYN H. BAKER  
Chair

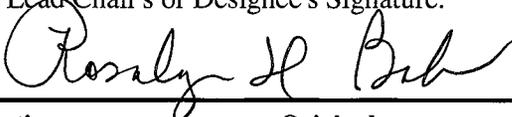
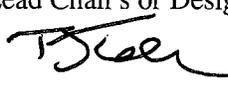


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CHRIS LEE  
Co-Chair



Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: <b>SB 552, SD 1, HD 2</b>					Date/Time: <i>4/17/19 2:30 PM</i>						
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).											
<input type="checkbox"/> The Committee is reconsidering its previous decision.											
<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.						
Senate Managers		A	WR	N	E	House Managers		A	WR	N	E
BAKER, Rosalyn H., Chr.		✓				TAKUMI, Roy M., Co-Chr.		✓			
NISHIHARA, Clarence K.		✓				LEE, Chris, Co-Chr.		✓			
FEVELLA, Kurt		✓				MATSUMOTO, Lauren		✓			
TOTAL		3	-	-	-	TOTAL		3	-	-	-
A = Aye		WR = Aye with Reservations			N = Nay		E = Excused				
Senate Recommendation is:						House Recommendation is:					
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted						<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					
Senate Lead Chair's or Designee's Signature:						House Lead Chair's or Designee's Signature:					
											
Distribution:		Original			Yellow		Pink		Goldenrod		
		File with Conference Committee Report			House Clerk's Office		Senate Clerk's Office		Drafting Agency		